



Insuring Luxury Autos Can Be Pricey

The luxury automobile is for those who see the driving experience as a reason to really enjoy life. Such cars don't come cheap. And when you consider the cost of insurance, it can be downright mind-boggling.

According to forbes.com, in 2005, nine of the 10 most expensive vehicles to insure were cars, not SUVs or trucks. Topping the list is the Mercedes SL65 AMG, followed closely by the Lincoln Town Car BPS and the BMW 760 Li. The only SUV in the top 10 is the Land Rover Range Rover HSE.

If you'd like to take on the open road in

one of these chariots, forged by the lightning of Zeus himself, there are ways to keep

the insurance from causing you to have a stroke.

Generally speaking, average premiums for the vehicles on this list are based on physical damage coverage, including theft. Although these factors might be unavoidable, other variables—such as your age, residence, and driving history—might help reduce (or drastically increase) your premium.

Our service team specializes in insuring luxury vehicles. Call us today to discuss your insurance options. [v](#)



Your Credit Score Can Impact Your Premium

A debate is raging over the validity of credit-score based insurance pricing for personal automobile insurance.

Advocates argue that credit scoring is the best way of predicting a driver's ability to keep a clean driving record. They say that, historically, those with higher credit scores make for better long-term clients.

Opponents challenge the validity of claims that people with lower credit scores tend to be worse drivers, thus making them more difficult to insure.

They believe that this system only punishes those with bad credit in an area where a good driving record—not credit history—should determine the insurability of a driver.

The bottom line: As many personal auto insurers move to tiered and/or credit-based pricing, more drivers than ever will see differences in their premium. Fortunately, we can help you find the option that offers you the best coverage at the lowest cost. Contact us today. [v](#)

Want a Dry Home?

Water damage is responsible for more homeowner insurance claims than fire, storms and theft. Here are several tips to help you keep your home and its contents dry:

- *Know where water leaks are most likely to occur.* Washing machine hoses have a tendency to leak and often go undetected because not many people spend time in the laundry room. Be aware of dishwasher hoses, automatic ice-maker lines, and hot water heaters, too. And once

you target all the potential danger zones in your home, monitor them periodically—and carefully.

- *Know that hot water tanks will leak, even if they're equipped with liners.* Water sediment makes its way to the bottom of the tank and then rusts. The next logical step is a flood.

- *The next time you do laundry, scan the water hoses for kinks and cracks.* Replace washing machine hoses every five years. And don't go cheap: Durable

high-pressure, metal-mesh hoses will work wonders and are available at most home improvement stores for \$5 to \$10.

- *Examine the flooring around your water heater for any sign of leaks.* Hire a technician to inspect heaters more than five years old. And if your water heater is older than a decade, it might be best to get a replacement.

For more water-damage prevention tips, contact us today. We'll help you secure the proper flood coverage, as well. v

Keep Clear of Retirement-Planning Pitfalls

If you plan to ease into retirement, it's important to have a sturdy financial game plan that includes dodging common retirement-planning pitfalls.

According to a recent financial trade press report, here are 10 traps or mistakes to avoid:

1. *Devising a plan based around a specific life expectancy.* In reality, 50% of people will live longer than their estimated life expectancy.

2. *Depending on average rates of return for assets.* No one can accurately predict the future of an asset without a "guaranteed rate of return."

3. *Going along with the herd.* What's popular isn't always right. If Fran across the street says that everyone she knows is investing in a hedge fund, don't listen to her.

It's better to follow the counsel of your financial advisor.

4. *Forgetting the government.* When retirees liquidate their assets they often get a stinging



slap from Uncle Sam in the form of a hefty tax bill.

5. *Avoiding the stock market.* Wall Street is at the hub of the financial world for a reason.

6. *Ignoring or failing to anticipate health care costs.* Average annual nursing home costs come to \$70,000.

7. *Failing to obtain 401(k) asset management.*

8. *Having unrealistic retirement dreams.*

9. *Going solo.* Your path to solid retirement savings isn't a stroll in the park. It's a jungle filled with perils and pitfalls where a helpful guide is your only hope for survival.

10. *Misunderstanding retirement risks.* Keep informed of the latest risks with the help of your financial planner.

Okay, that's probably enough to handle for today. And don't forget that a life insurance review with us is as smooth and painless as a walk down Easy Street. Call us today. v

Talking Cars Will Hit Market Soon

Remember *Knight Rider* (1982 to 1986), the television show in which KITT, a talking car, communicated routinely with expert driver Michael Knight, a character played by the multi-talented David Hasselhoff (think *Baywatch* and *The Young and the Restless*)?

No? Come on, that show was golden!

But whether you remember KITT doesn't really matter because you might soon have a talking car of your own. According to recent trade press reports, Honda is working on automobiles that communicate with both each other and the highway system.

These cars of the foreseeable future will be able to relay warnings from cars in close proximity; share data with sensors along the highway that act as part of a real-time database; and announce their approach to an intersection, among many other accident-prevention communication capabilities.

You're probably wondering how the highway itself will be able to communicate. Well, many automakers—including General Motors and BMW—are developing such technology. "It does seem



like it's straight out of a science-fiction movie," says Robert Strassburger, vice president of vehicle safety, Alliance of Automobile Manufacturers. "But it's happening already."

These "intelligent transportation systems" might be able to help prevent accidents from happening in the first place. That's a significant advance over today's reactive auto safety measures, such as seat belts and air bags. However, until these "talking cars" and systems are available to the public, drivers will have to stick to existing safety procedures. More important, auto insurance will remain just as crucial.

For a review of your current auto policy, contact us today. [v](#)

Hurricanes Could

Lash Eastern Seaboard

Insurance and weather experts are urging residents of the Eastern Seaboard—an area not commonly tormented by hurricanes—to take a long, hard look at hurricane coverage, says a recent report. In other words, the days of hurricane coverage being confined to residents of the Gulf Coast are long gone.

"Anybody who lives along the coast from Florida to Maine needs to be hurricane-aware," says Dennis Feltgen, a meteorologist with the National Weather Service. "There's no question a hurricane will occur in the Northeast, and very likely a major one. We just don't know exactly when."

One of the problems is that people think they are covered under their homeowners policy, but they're often badly mistaken. Don't let this happen! [v](#)

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College Plans Offer Tax-Free Investment

For the parents of college-age children, tax-free college savings plans are all the buzz. And although these plans offer a variety of investment options for parents, selecting the correct plan can be a challenge.

Many states currently sponsor college savings plans, and most are open to residents outside the state. Each state has its own advantages, taxes, fees, etc., that make selecting the most appropriate option difficult.

One option is a 529 plan. This can be an excellent investment because money put in the plan grows tax-deferred and can be withdrawn free of federal taxes as long as the proceeds are used to pay college costs. For more information about 529s, as well as details on other college savings plans, give us a call today. We can discuss your child's health insurance plan, as well. [v](#)

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